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## FEDERAL COMMUNICATIONS COMMISSION BEFORE OF THE SECRETARY FEDERAL COMMUNICATIONS COMMISSION WASHINGTON D.C. 20554

WASHINGTON, D.C. 20554

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In The Matter Of	)	
	)	
Amendment of Section 73.3598 of	)	MM Docket No
the Commission's Rules	)	RM No. 9567

To: The Commission

## **COMMENTS**

Costa de Oro Television, Inc. ("Costa"), by its attorneys and pursuant to Section 1.405(a) of the Commission's Rules and the <u>Public Notice</u>, DA 99-648, released April 8, 1999, hereby submits the following comments in support of the March 10, 1999 Petition for Rulemaking ("Petition") of Entravision Holdings, LLC ("Entravision"). In the Petition, Entravision requested that the Commission amend Section 73.3598 of its Rules so as to permit qualified broadcasters having significant minority group participation, or proposing to meet the broadcasting needs of minority group populations, to obtain construction permits that would otherwise be declared forfeited, and, as a result thereof, receive additional time in which to complete construction.

Costa is the licensee of Station KJLA(TV), Ventura, California. The President of Costa is an officer of Entravision and Entravision's parent, Entravision Communication Corporation, L.L.C. Costa is a minority-owned licensee which provides substantial time each week for the broadcast of programming for the Hispanic Community in the Los Angeles market.

An opportunity to increase minority participation has been created by virtue of the Commission rulemaking in 1998 Biennial Regulatory Review--Streamlining of Mass Media

Applications, Rules, and Processes, FCC 98-281, released November 25, 1998 ("Streamlining Order"). In the Streamlining Order, the Commission made wholesale changes in the policies

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relating to how long a party may hold a construction permit and when it could be extended, adopting a single, three-year term for construction permits. Streamlining Order at ¶ 83.

Consistent with the change in Section 73.3598, except for a few exceptions where "construction is encumbered due to an act of God, or when a construction permit is the subject of administrative or judicial review," the Commission deleted the provisions of Section 73.3534 dealing with extensions. Streamlining Order at ¶ 84. The retroactive application of these changes will result in a number of permits being forfeited under the automatic forfeiture provisions of Section 73.3598(e).

Costa believes that forfeited construction permits present an ideal opportunity for the Commission to promote expanded minority ownership. These are permits that would otherwise be terminated, and, in some instances, be totally lost. Minority broadcast services would be greatly enhanced if the Commission were to permit permittees of new stations that either have lost or will lose their permits due to the application of the existing Section 73.3534 or the rules adopted under the <u>Streamlining Order</u> to have a 90 day window to sell them to a qualified buyer who would be able to keep the permit in good standing. A qualified buyer would then have two additional years in which to complete the construction of the new station.

This program would satisfy the compelling need for broadcast service by and for minority-group members because of the composition of the parties. A qualified buyer under the program would have at lease 20% minority-group membership as defined by the Commission's present definitions or would make a firm commitment to provide specialized programming aimed at minority-group members or in foreign languages for at least 80% of the applicable station's weekly operating hours. A mandatory five-year holding period following

commencement of program test operations would prevent a party from quickly selling a station acquired under this program.

This modest mechanism for improving the minority broadcasting situation would not unduly impact Constitutional protections relating to minority preferences because a qualified buyer need not be minority-controlled, but need only have at least 20% minority ownership or be committed to providing service for the requisite five-year mandatory holding period. This program would not solely be aimed at minorities, but rather would apply where there is a significant minority presence or an intention to serve any of the plethora of unmet minority group programming needs.

A program structured with these benefits and associated safeguards can be expected to increase minority ownership during a period in which media concentration is leading to a contrary result. There is no legal or policy reason not to adopt it forthwith.

WHEREFORE, in light of the compelling need for broadcast service by and for minority-group members which would be served by the proposal contained in the Petition for Rulemaking, Entravision respectfully requests that the Commission issue a Notice of Proposed Rulemaking in accordance with the Petition for Rulemaking and institute a Rulemaking proceeding geared towards adoption of the proposed rules.

Respectfully sybmitted,

COSTA DE/ORO/TELEVISON, INC.

By:\_

Barry A. Friedman

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Dated: May 24, 1999

## **CERTIFICATE OF SERVICE**

I hereby certify a copy of the foregoing Comments was served upon the following, via hand delivery, this 24th day of May, 1999:

Entravision Holdings, LLC c/o Thompson Hine & Flory 1920 N St., N.W. #800 Washington, D.C. 20036

Barry Friedman

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